



Legislative Session 2002

Special Report



From the Desk of Lynn Schindler

Dear friends and neighbors,

The session has ended and it's time to get back to reality. So much of what happens in Olympia seems unreal. Why would anyone use credit card spending to mortgage the future of our children and grandchildren? Why would anyone use future money to pay down present debt - money that may not even come? Why would anyone keep putting off the hard choices just to satisfy special interests?

Here in District 4, where the reality of bad fiscal policy will hit home, you are working hard to rein in your personal debt and balance your home budgets in this time of economic downturn. This is exactly what needs to be happening in Olympia.

Common sense and the calls for restraint were obvious in your contacts with my office this session. Thank you for your phone calls, letters and emails. You had good ideas and good advice. I paid attention to all of them and thank you for taking the time to contact me — I know you're busy too.

We Republicans offered ideas and amendments during the session in an effort to be fiscally responsible. We voted against overturning I-601. Yet, all of our efforts were rejected by the Democrats — who hold the majority in both houses of the Legislature. The result is a budget that is fiscally irresponsible and will plunge us further into a financial black hole. The Democrats patted themselves on the back for not raising taxes, but they cut spending at the service level where you will be affected the most, not where the cuts were really needed — in the bloated bureaucracy.

The budget-writers also bonded the money Washington receives from the tobacco companies as part of the national settlement. When the 30 years are up, we will have paid \$1.3 billion of the tobacco money to the bondholders instead of using it for what it was intended — health care. One idea would have been to help underwrite prescription drug costs for seniors, which was rejected by the Democrats.

It is absolutely necessary for the State of Washington to practice fiscal responsibility. I intend to work hard to meet the challenges this budget gives us in the next biennium and to try again to put your good advice and ideas to work.

Lynn Schindler

Democrat state budget raises stakes – and debt – for taxpayers . . .

To the surprise of few, the state operating budget adopted by Democrats in the Legislature last June turned out to be fiscally unsound. The budget spent \$700 million more than revenue coming in when it was adopted and, as the state's economy continued its predicted slide, lawmakers were forced back to the drawing board trying to bring the budget back into balance.

Over the past three months, however, Democrat budget writers drafted a new plan that actually makes it worse – doubling the deficit spending to \$1.4 billion more than anticipated revenue.

The budget-writers used Enron-style accounting tricks to cover this deficit, spending nearly all of the state's reserves and relying on a scheme to sell off future tobacco settlement payments in exchange for one-time cash. The up-front money will be used to pay operating expenses over the next 14 months, but the taxpayers will be paying off the debt for the next 30 years.



**Lynn on the House floor
with Spokane pages Nick and Eric Wiley.**

I agree with the state treasurer and attorney general who both have said this strategy is irresponsible. Frankly, it is credit-card spending at its worst. Like a family that has maxed out their credit cards to buy food, in the end, they're out of money. Then they still have a family to feed, and now they have bills to pay from their mounting debt.

Perhaps worst of all, the budget protects the state bureaucracy, while cutting spending for education, health care, public safety, and services for the truly needy. There is no serious effort to reduce the size of government.

Families and businesses understand that you can't continue to spend more money than you have coming in, or you will be in deep financial trouble very soon. Yet the Democrats controlling the Legislature, faced with a \$1.5 billion hole, could not bring themselves to stop the growth in spending.

The net reduction in the supplemental budget amounts to just \$298 million – or about 1.3 percent of the \$22.8 billion state budget. And with the state facing the first real decline

in revenue from one biennium to another in two decades, the budget still increases state spending nearly 7 percent from the last biennium.

Government revenues are sluggish because of our weak economy, but the weak economy is hurting families too. We can't solve the problems of this state by repeating the same mistakes that got us here, and we can't revive our economy by creating a government that assumes the kind of debt and unsustainable spending required in this year's budget. All we've done is delay the decisions we all know must be made.

How many families, businesses or organizations do you know respond to a decline in revenue by increasing spending?

The results, once again, are predictable. By the Democrats' own admission, this budget will leave taxpayers with a \$1 billion shortfall at the start of the next biennium – if not causing the state to go completely in the red before the end of the year.

Cracking down on meth . . .



This last session, I introduced legislation to give landlords greater flexibility in removing meth labs from their property. HB 2830 would have been an important new weapon in our fight to crack down on the meth epidemic. Unfortunately, the Democrats who control both the House and Senate, refused even a hearing on my bill.

The current landlord-tenant laws do not give a landlord the ability to immediately evict a tenant who is involved in criminal activity. Not only is this unfair to property owners, it is also a huge barrier to putting meth-makers out of business. With my bill, a landlord, with supporting evidence and documentation, may ask a court to authorize the immediate eviction of a tenant involved in criminal activity.

Some parts of Spokane County are under siege by meth labs and meth dealers. More needs to be done by the state to help. Next session, I will once again make this bill a priority. The fight goes on . . .

Tobacco 'securitization'

What others are saying about the plan by the Democrats controlling the Legislature to sell off a portion of the state's settlement with tobacco companies – money once earmarked to pay for health care services and anti-smoking efforts – for a one-time cash payment to fund state spending increases:

"too big a gamble for the state"

– *News Tribune* editorial (3/6/02)

"not sustainable"

– *Spokesman-Review* editorial (3/6/02)

"a disservice to our state's taxpayers"

– *Bremerton Sun* editorial (3/8/02)

"no real solution"

– *Seattle Times* editorial (3/6/02)

"suspect budgeting"

– *Yakima Herald-Republic* editorial (3/10/02)

"we'll pay a high price for this gimmick"

– *South County Journal* editorial (3/14/02)

"a bad deal for Washington taxpayers"

– *Democrat Attorney General Christine Gregoire*

"terrible fiscal policy"

– *Democrat State Treasurer Mike Murphy*

Losing the battle for I-601 . . .

In 1993, voters approved Initiative 601, which limited the growth of state spending and required a two-thirds vote by the Legislature to raise taxes or to spend funds in the state's emergency reserve fund. This session, however, with a simple majority vote in the House and Senate, Democrats who control the Legislature deleted the two-thirds vote requirements for at least the next two years.

This move will raise taxes and tap into our emergency reserves to close a budget deficit that wouldn't exist if the Legislature had passed a responsible budget last year. This is more proof that we need the fiscal responsibility of I-601 more than ever during our current economic downturn. Unfortunately, now that we need it most – it's gone.

After first voting to gut Initiative 601, the Democrats voted to raid the state's emergency reserve funds. They pulled \$325 million from the Emergency Reserve Fund, leaving a balance of only \$53 million, a precariously low amount.

As a state and a state government, it's time to rethink our priorities, and more importantly, it's time to rethink our expectations of state government. We need to ask ourselves what it really is we want and need government to do. We simply can't afford government to do it all.

Important Contact Information

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Schindler resolution to help Spokane Guilds' School and Neuromuscular Center . . .

I introduced a measure asking Congress to give parents more choices for the assessment and treatment of their developmentally delayed children at neurodevelopmental centers. I sponsored the measure after discussing the issue with Dick Boysen, executive director of the Spokane Guilds' School and Neuromuscular Center.

Our state has long been a leader in assessing and treating developmentally delayed infants and toddlers, with more than a dozen outstanding neurodevelopmental centers in our state, including the Spokane Guilds' School.

The measure that passed both houses of the Legislature asks Congress to reauthorize the Individual with Disabilities Education Act (IDEA), modifying it to allow parents more choice for assessment and treatment of their developmentally delayed infants and toddlers.